



Governor's Bill No. 5021 – An Act Concerning Competitive Alcoholic Liquor Pricing and Hours of Operation for Permittees

Testimony on behalf of the Connecticut Beer Wholesalers Association, Inc.

Good afternoon. My name is Dave Hardy. I am a partner with the law firm of Carmody & Torrance and I serve as legal counsel to the Connecticut Beer Wholesalers Association. The Connecticut Beer Wholesalers Association appreciates the opportunity to be with you today to urge the passage of Governor's Bill No. 5021, and to briefly identify the reasons why the association and all of its member wholesalers support this bill.

I do wish to advise the committee at the outset of my testimony that a combination of mandatory out of state supplier meetings and specific concerns over customer relationships has lead the association to send their legal representative to testify today, instead of singling out any particular wholesaler owner for this important opportunity for which we are most grateful. My representative expression of support for this bill has the unanimous backing of all Connecticut Beer Wholesalers Association members.

The Connecticut Beer Wholesalers Association represents the interests of eleven beer wholesalers in this state. Its member wholesalers are predominantly locally owned, multi-generational family businesses that provide, on a combined basis, over one thousands jobs here in Connecticut.

In recent years, the Connecticut alcoholic beverages market has become increasingly uncompetitive with the markets in our bordering states. It may surprise the members of this committee to learn that Connecticut currently ranks 49th out of the 50 states in the per capita consumption of beer. While much of the competitive disadvantage in the Connecticut beer market stems from increases in excise and sales taxes and new financial burdens that have been placed on beer wholesalers under recent amendments to the Bottle Bill, there are also features of Connecticut's Liquor Control Act that place our state at a competitive disadvantage.

First, the inability of consumers to purchase alcoholic beverages for off-premises consumption on Sundays and the current limitation on purchase hours during the other six days of the week forces Connecticut dollars into the hands of retailers in our neighboring states and reduces overall sales in our state. Second, the inability of wholesalers to differentiate and lower their pricing to retailers on the basis of the quantity of products sold leaves Connecticut wholesalers without an important and effective competitive mechanism that wholesalers in neighboring states currently have.

While the Connecticut Beer Wholesalers Association supports changes to the Liquor Control Act that will lower prices at the shelf to consumers and increase tax revenues through additional sales, it believes that these ends must not be achieved at the expense of consumer safety and responsibility and moderation in consumption. Accordingly, the Association has been working and will continue to work with the Governor's office and this legislature to ensure that Connecticut's liquor laws are modernized and made more competitive while still preserving the fundamental principles of the three-tier system which, since the repeal of prohibition, have fostered safety, moderation, responsibility and the local accountability of participants in Connecticut's alcoholic beverages market. The Connecticut Beer Wholesalers Association is confident that the bill that emerges from this committee will strike the appropriate balance between achieving more competitive pricing for consumers and preserving a safe and orderly marketplace.

Thank you for the opportunity to express our support for Governor's Bill No. 5021 and its important goal of making the Connecticut marketplace competitive with our surrounding states. The Connecticut Beer Wholesalers Association urges you to support the passage of this bill. I would be pleased to answer any questions you may have.



100 Essex Street, Suite 200, New Haven, CT 06510
The Connecticut Beer Wholesalers Association
860.580.1234